

The economic situation at the end of September 2021 was different to the situation a year earlier. Any comparison between the two must take account of these differences and the impact of the lockdown period which lasted for a quarter of the first half of 2020, resulting in a significant decline in the majority of indicators. As such, while it is relevant to compare with 2020 for the purposes of assessing the economic recovery following these periods of fragility, it is equally important to compare the current situation with 2019, prior to the crisis, to qualify this recovery.

**Change in comparison to Q3 2020**

<b>Foreign trade</b>		<b>Economy</b>		<b>Private sector employment</b>		<b>Tourism</b>
Exports ↗		Revenue ↗		N° of employers ↗		Occupancy rate ↗
Imports ↗		Entities created ↗		N° of jobs ↗		Rooms booked ↗
Balance of trade ↘		Entities struck-off ↗		Hours worked ↗		N° of cruise days ↘

At nearly €2.2 billion, total trade, excluding France, increased sharply (+22%) and has almost returned to the level seen in 2018.

At the end of September 2021, the Principality's revenue, excluding Financial and insurance activities, was higher than that for 2019, amounting to €11.2 billion, an increase of 12.3% over 2020.

Employment indicators in the private sector remained on an upward trend at the end of Q3, although they did not reach pre-crisis levels.

Year to date at the end of Q3, the number of businesses started and businesses closed had risen compared with

the previous year. The balance (businesses started minus permanent closures) increased (+244 compared with +217 in 2020).

Key hotel industry indicators were on an upward trend but remained below pre-pandemic levels. Cruise activity remained at a halt.

The Real estate market improved compared with 2020 but remained at a lower level than in 2019.

The number of new vehicles registered increased (+29.9%) as did the use of public car parks (+12.6%). While higher than in 2020, the number of air passengers remained two thirds below the 2019 figure.

**FOREIGN TRADE EXCLUDING FRANCE**

As of 30 September 2021, the Principality's foreign trade continued to increase compared with 2020. Total trade, excluding France, was up by 22.0%, reaching a figure of €2.2 billion, close to its 2018 level.

In value terms, imports (+€224 million) rose more strongly than exports (€164 million), resulting in an increase in the trade deficit (-€452 million).

Non-EU trade increased significantly (+46.0%), resulting primarily from a 50.1% rise in imports from outside the European Union.

Exports to (+15.0%) and imports from (+1.5%) the EU increased to a lesser extent, driving a rise in overall trade with the European Union (+6.9%).

Although it continues to dominate, the share of trade with the EU shrank compared with 2020 (accounting for 53.8% of total trade, compared with 61.4% previously).

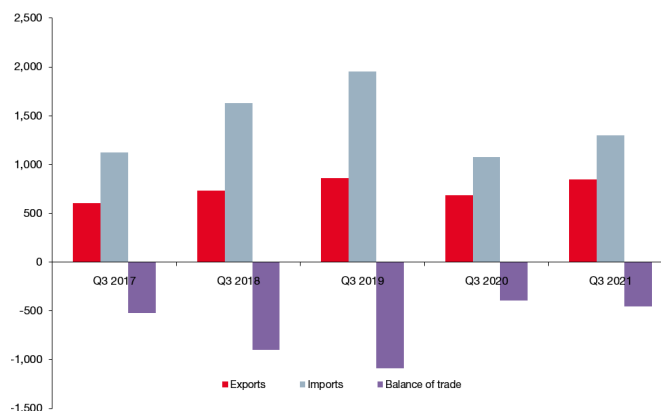
Exports to Italy, Monaco's leading trade partner, grew (+22.8%), driven by the Manufacture of wearing apparel, which overtook the food products sector compared with 2020.

The substantial rise in imports of plastic products was almost entirely responsible for the increase in imports from Belgium.

Goods produced by the other Manufacturing sector continue to account for the highest share of Monegasque trade (€402 million).

**Change in foreign trade excluding France**

	Q3 2020	Q3 2021	Variation	Weight
<b>Supplies + Exports</b>	<b>685.6</b>	<b>849.2</b>	<b>23.9%</b>	
<b>EU Supplies</b>	<b>433.4</b>	<b>498.5</b>	<b>15.0%</b>	<b>58.7%</b>
Including Italy	124.1	152.4	22.8%	17.9%
Including Germany	97.1	107.0	10.2%	12.6%
Including Belgium	42.8	46.6	9.0%	5.5%
<b>Exports</b>	<b>252.2</b>	<b>350.8</b>	<b>39.1%</b>	<b>41.3%</b>
Including Switzerland	104.7	115.3	10.1%	13.6%
<b>Acquisitions + Imports</b>	<b>1,077.3</b>	<b>1,301.1</b>	<b>20.8%</b>	
<b>Acquisitions UE</b>	<b>649.5</b>	<b>659.2</b>	<b>1.5%</b>	<b>50.7%</b>
Including Italy	390.1	338.7	-13.2%	26.0%
Including Germany	121.0	126.6	4.7%	9.7%
Including Belgium	37.7	57.6	52.8%	4.4%
<b>Imports</b>	<b>427.8</b>	<b>641.9</b>	<b>50.1%</b>	<b>49.3%</b>
Including United Kingdom	35.0	120.5	244.5%	9.3%
<b>Balance of trade</b>	<b>-391.7</b>	<b>-451.9</b>	<b>-15.4%</b>	



Unit: million of euros

Sources: French Directorate-General of Customs and Indirect Taxes, Monaco Statistics

The foreign trade figures are provided to Monaco Statistics by the French Directorate-General of Customs and Indirect taxes. These figures are provisional. They are updated (enhanced) on a monthly basis. Variations may be noted each quarter as a result of the late arrival of some statements; many enhancements are still expected. The date and comments should therefore be treated with caution (Trade with France is not included—Cumulative data as at 30/09/2021)

# REVENUE<sup>(1)</sup>

At the end of September 2021, the Principality's revenue, excluding Financial and insurance activities, stood at €11.2 billion, an increase of €1.2 billion (+12.3%) compared with 2020. However, it is important to consider the health crisis context when looking at the results in specific sectors compared with last year. Monaco's revenue was higher than in 2019, but some major economic sectors (MES) have yet to return to pre-pandemic levels.

In Q3, the Wholesale trade and Retail trade sectors experienced the highest growth, in value terms, compared with 2020.

The growth in Wholesale trade (+€465.9 million or +15.4%) can be explained by that seen in all of the NAF categories that make up this sector, and particularly the Wholesale on a fee or contract basis category, which contributed more than half of the growth in this MES (+€265.7 million or +21.7%).

The substantial increase in retail sales (+€325.1 million or +30.7%) was driven by sales of motor vehicles, jewellery and clothing.

Masonry works and building structural works drove growth in the construction sector (+14.8%), where revenue amounted to more than €1.5 billion, outstripping revenue in 2019.

Revenue from Accommodation and food service activities increased rapidly to reach €443.0 million (+37.2%), but remained a long way from a return to its 2019 level (€659.3 million).

Manufacturing, mining and quarrying and other industries experienced growth (+€89 million, or +17.4%), in particular thanks to the Manufacture of rubber and plastic products, returning to a level similar to that in 2019.

Other service activities achieved the strongest relative growth (+50.4%, or €178.3 million). In a sector which was hard hit by the cancellation of events in 2020, this growth was due to the recovery in sports activities and amusement and recreation activities, as well as in gambling and betting activities.

Conversely, Real estate experienced the sharpest decline (-29.4% or -€192.8 million), impacted by performance in the letting of land and other own property category.

Scientific and technical activities, administrative and support service activities saw a decline of €118.5 million (-6.1%) in cumulative revenue. The growth in temporary employment agency activities and rental activities was offset by the decline in the activities of quantity surveyors, which had benefitted from an exceptional project in 2020.

<sup>1)</sup> Calculated on the basis of VAT declarations during the submission period.

<sup>2)</sup> Total revenue does not include that derived from financial and insurance activities. As revenue is less relevant an indicator than for other sectors, it is presented for indicative purpose

## FINANCE

### Change in financial indicators

	Q3 2020	Q3 2021	Variation
<b>Monegasque Investment Funds</b>			
Number of funds	54	50	-
Net total assets	4,288	4,467	4.2%
<b>Asset Management companies</b>			
Number of companies	60	60	-
<b>Banks and Financial Institutions</b>			
Number of Banks	29	30	-
Number of financial services companies	4	4	-
Total Value of Assets:			
Deposits & Marketable securities	124,454	141,757	13.9%
Total Value of Deposits & Commercial Paper	49,806	50,921	2.2%
Total Value of Loans	26,564	29,071	9.4%

Sources: Commission de Contrôle des Activités Financières, Department of budget and Treasury

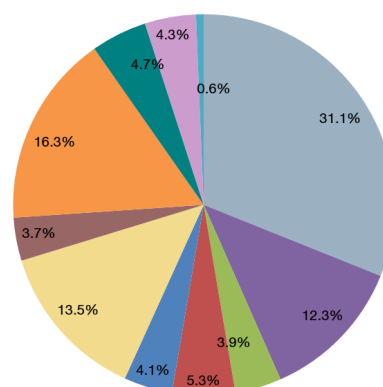
### Change in revenue by sector

	Q3 2019	Q3 2020	Q3 2021	Var 20/21
1 Financial and insurance activities	1,385.9	1,446.4	1,223.3	-15.4%
2 Wholesale trade	3,450.8	3,027.6	3,493.5	15.4%
3 Retail trade	1,241.2	1,059.7	1,384.9	30.7%
4 Accommodation and food service activities	659.3	322.8	443.0	37.2%
5 Manufacturing, mining and quarrying, and others industries	606.7	510.9	600.0	17.4%
6 Real Estate activities	588.3	655.5	462.7	-29.4%
7 Construction	1,382.6	1,321.0	1,516.3	14.8%
8 Transportation and storage	451.6	330.4	411.4	24.5%
9 Scientific and technical activities, administrative and support service activities	1,433.4	1,955.5	1,837.0	-6.1%
10 Other service activities	671.8	354.0	532.3	50.4%
11 Information and communication	462.4	409.8	488.2	19.1%
12 Public administration, education, human health and social work activities	69.9	65.6	73.0	11.3%
<b>Total<sup>(2)</sup></b>	<b>11,017.9</b>	<b>10,012.7</b>	<b>11,242.2</b>	<b>12.3%</b>

Unit: million of euros

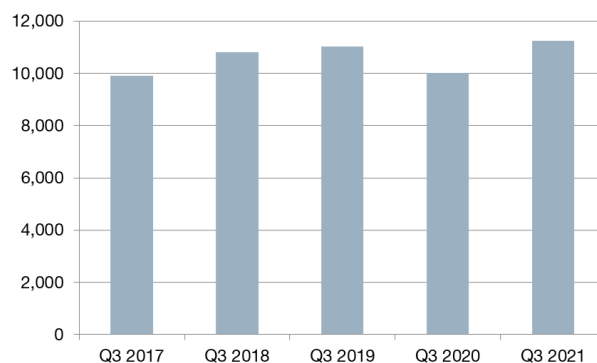
Sources: Department of Tax Services, Monaco Statistics

### Distribution in revenue as at 30th September 2021<sup>(2)</sup>



Sources: Department of Tax Services, Monaco Statistics

### Change in revenue<sup>(2)</sup>



Unit: million of euros

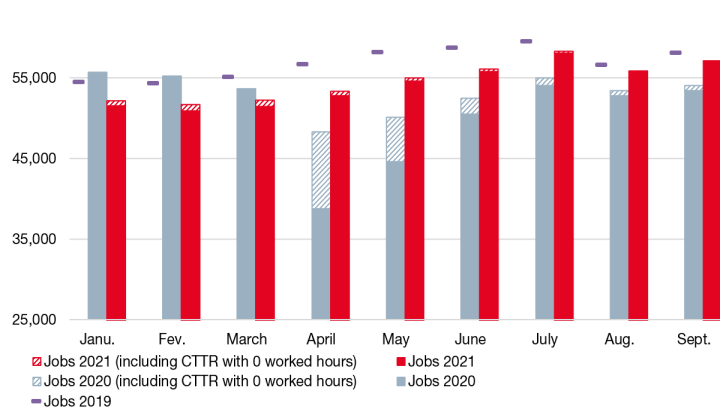
Sources: Department of Tax Services, Monaco Statistics

There has been an extremely positive trend in bank's total assets over the last 12 months (+13.9%), likewise with the amount of loans granted (+9.4%). The total value of deposits also increased (+2.2%).

In Q3 of 2021, a collection of EUR 1.9 billion, combined with the positive impact of market and foreign exchange effects, resulted in an increase in the value of managed assets over the period (+2.3%).

# PRIVATE SECTOR EMPLOYMENT

Monthly change in number of jobs : légende « hour »



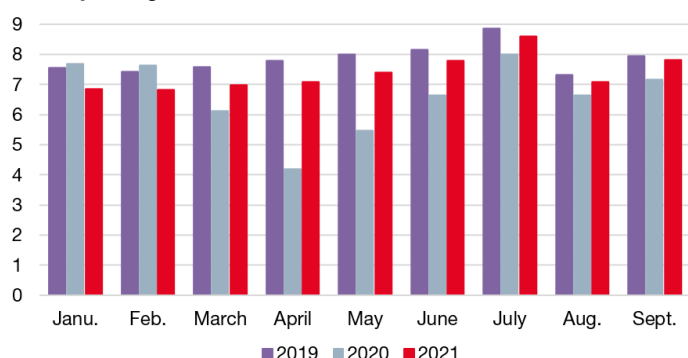
Sources: Social Services Compensation Fund, Monaco Statistics

## Evolution of the number of active jobs by MES

	Q3 2019	Q3 2020	Q3 2021	Variation 20/21
Financial and insurance activities	4,038	4,066	4,191	3.1%
Wholesale trade	2,684	2,653	2,592	-2.3%
Retail trade	3,152	2,950	3,067	4.0%
Accommodation and food service activities	9,678	7,287	8,061	10.6%
Manufacturing, mining and quarrying and others industries	2,676	2,579	2,617	1.5%
Real Estate activities	1,768	1,760	1,774	0.8%
Construction	5,151	5,382	5,621	4.4%
Transportation and storage	2,257	2,000	2,030	1.5%
Scientific and technical activities, administrative and support service activities	13,587	12,122	14,042	15.8%
Other service activities	7,395	6,704	7,254	8.2%
Information and communication	1,394	1,357	1,474	8.6%
Public administration, education, human health and social work activities	4,160	4,195	4,270	1.8%
<b>Total</b>	<b>57,940</b>	<b>53,055</b>	<b>56,993</b>	<b>7.4%</b>

Sources: Social Services Compensation Fund, Monaco Statistics

## Monthly change in number of hours worked



Unit: million hours

Sources: Social Services Compensation Fund, Monaco Statistics

# BUSINESSES

Year to date at the end of Q3, the number of businesses started had risen compared with the previous year (593 compared with 551, a rise of 7.6%). The number of permanent closures also rose (349 compared with 334, an increase of 4.5%). Both figures nonetheless remained below those seen in 2019, when they were 682 and 374 respectively for the first nine months of the year.

The balance (businesses started minus permanent closures) was +244 compared with +217 in 2020 and +308 in 2019. For Scientific and technical activities, administrative and support service activities, the balance was +112, for Other service activities +56 and for Wholesale trade +24. It was zero in the Transportation and storage sector and negative (-10) in the Real estate sector.

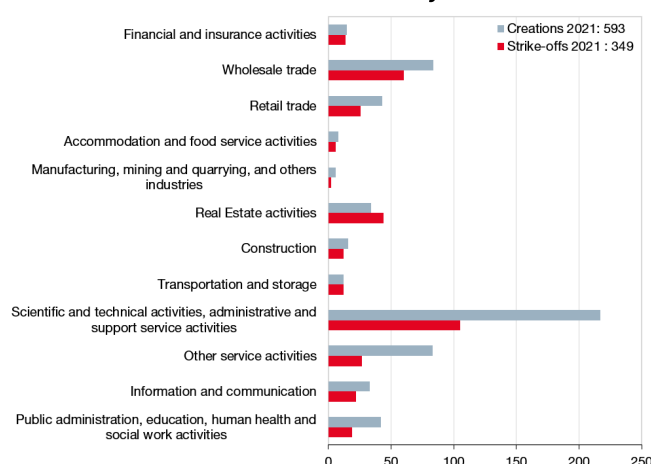
Monaco had 56,993 active jobs (at least one hour worked, including domestic staff) in the private sector at the end of Q3 2021, an increase of 7.4% compared with the same period in 2020. Nevertheless, the figures for the two years should be compared with caution due to the measures in place last year, particularly lockdown. The number of employees covered by the strengthened provisions for total temporary layoff (CTTR), i.e. zero hours worked, has continued to decline since Q1 2021 and, in September, around a hundred jobs were still covered by this scheme (compared with nearly 600 in September 2020). The total number of jobs in the private sector (including CTTR) in Q3 2021 was higher than in 2020 and close to the figure for 2019, although still slightly lower (-1.7%).

While the workforce in the majority of MES was almost at pre-crisis levels (or even higher in the construction sector), in the Accommodation and food service activities sector, the number of employees remained considerably lower despite a substantial increase since the beginning of 2021 (+10.6% in Q3 compared to 2020). The same was true for the other service activities sector, although to a lesser extent.

The cumulative total of hours worked in the private sector in Q3 reached more than 66 million, an increase of 11.5% between 2020 and 2021 (around 7 million additional hours). Since the beginning of the second half of the year, total monthly hours have been moving towards pre-crisis levels, and almost reached that threshold for September. It was once again the construction sector that saw the highest increase in the number of hours worked in Q3 2021 (+18.5% compared with 2020), closely followed by the scientific and technical activities, administrative and support services sector (+17.7%).

At the end of Q3, there were a total of 6,296 employers in the private sector, up 3.1% compared with 2020 (an additional 191 employers). Only three sectors saw a slight decline in this figure during the period: Manufacturing, mining and quarrying and other industries, Transportation and storage, and Public administration, education, health and social services (each having between two and four fewer employers compared with September 2020).

## Creations and strike-offs of establishments by GSA



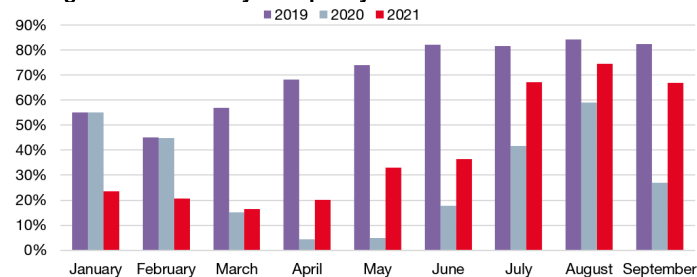
Sources: Business Development Agency, Monaco Statistics

# HOTEL AND CRUISE INDUSTRY

## Changes in hotel industry indicators

	Q3 2019	Q3 2020	Q3 2021	Variation
Occupancy rate	70.2%	30.0%	40.6%	10.6%
Rooms occupied (N° of nights)	471,086	201,830	267,597	32.6%
Arrivals	297,794	137,993	154,014	11.6%
% Arrivals from EU including Monaco	60.8%	75.6%	75.1%	-0.5%
Average length of a stay (in days)	2.5	2.4	2.7	11.4%

## Changes of the monthly occupancy rate between 2019 and 2021



Sources: Tourist and Convention Authority, Monaco Statistics

Having been hit by the pandemic, tourism indicators were on an upward trend in Q3, although still significantly down on the same period in 2019. The number of check-ins increased (+11.6%) as did the average length of stay (+11.4%). This led to a substantial rise in the number of occupied rooms (+32.6%), resulting in an automatic increase in the occupancy rate (+10.6%). However, at 40.6%, the latter rate remained considerably below its pre-crisis level of 70.2%. The share of people coming from the European Union remained higher than in 2019 following international travel restrictions.

## REAL ESTATE

At the end of Q3 2021, real estate transactions for the year to date had risen by nearly 10% compared with 2020, and their total value remained stable. The resale market comprised an additional 27 apartments, but its value fell by 2.7% (-€36 million). With one additional transaction compared with 2020, the market for new properties saw a 30% increase in value.

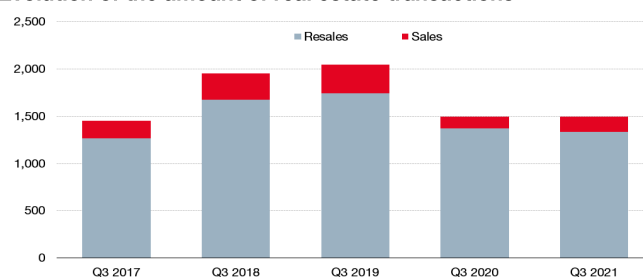
Overall, however, the market remained below its 2019 level. The value of sales has decreased by half, with 17 fewer transactions. Due to a difference in the type of properties sold, the total value of resales has fallen by nearly a quarter even though an additional seven apartments were sold

## Evolution of the number of real estate transactions

	Q3 2019	Q3 2020	Q3 2021	Variation
Apartment Sales (new)	29	11	12	9.1%
Apartment Sales (second hand)	296	276	303	9.8%

Sources: Department of Tax Services, Monaco Statistics

## Evolution of the amount of real estate transactions



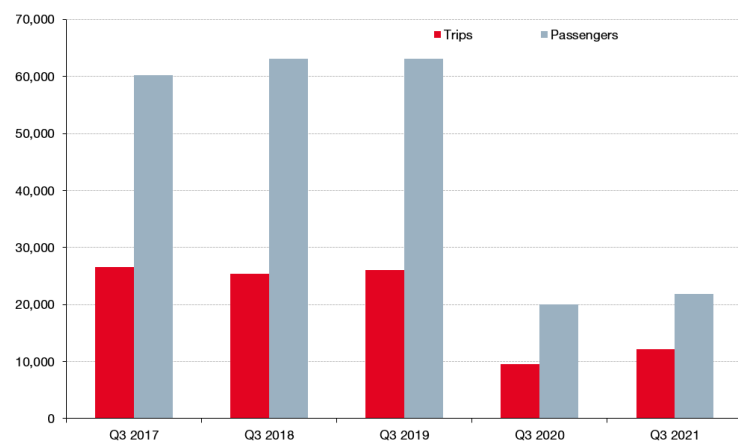
Unit: million of euros

Sources: Department of Tax Services, Monaco Statistics

## TRANSPORT

### Change in helicopter traffic

	Q3 2020	Q3 2021	Variation
Number of trips	9,484	12,107	27.7%
Number of passengers	19,967	21,901	9.7%



Sources: Civil Aviation Authority, Monaco Statistics

### Change in vehicle registration and car parks attendance

	3T 2020	3T 2021	Variation
Number of new vehicle registrations	1,757	2,282	29.9%
Number of times a car entered a public car park	8,773,250	9,882,454	12.6%

Sources: Driver and Vehicle Licensing Office, Monaco Statistics

From 1 January to 30 September 2021, the number of trips increased by 27.7%. Passenger numbers also increased compared with the previous year, but to a lesser extent (+9.7%).

There was an increase in almost all types of flight (commercial, instruction, private, etc.). At the end of September, only local flights had declined over Q3 (-16.4%). The number of passengers taking commercial and private flights rose this quarter (by 34.2% and 26.2% respectively), but still failed to reach pre-crisis levels, with a loss of two thirds of passengers.

The number of new vehicles registered increased this quarter compared with 2020 (+29.9%), almost reaching pre-pandemic levels (with 2,382 registrations in Q3 2019). Nearly 42% of vehicles registered in the Principality since the beginning of the year were electric (25.2%) or plug-in hybrid (16.4%) vehicles.

Use of public car parks increased by 12.6% compared with Q3 2020. Increases were seen across all categories (hourly, day/night, working hours and season tickets). However, the number of visits remained 14.9% below 2019 levels.



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